

Fotosynthesis

Fantasy Entertainment Offers Picture Perfect Technology to FECs

A picture may be worth a thousand words, but a photo strip from one of Fantasy Entertainment's photo booths is worth far more.

The pictures capture not just customers' images but a valuable experience beyond their frames — the memory of crowding into a space to have images made at a particular place and time. Moreover, consumers' evaluation of this worth — demonstrated by their willingness to pay up to \$5 per vend — has substantially increased the value of operating such booths.

Fantasy Entertainment is not simply a "purveyor of fun," as its motto states, but a provider of some of the most fascinating electronics in vending today. The manufacturer has brought the latest advances in digital imagery and formatting to FECs, theme parks, malls, movie theaters, zoos, aquariums and museums in 49 states and over 25 countries. Moreover, plans on the drawing board promise to usher futuristic



Dale Valvo, managing CEO of Fantasy Entertainment, gets as genuinely excited when talking about photo booths as the customers inside of them.

visions into amusement locations, from lasers to holograms to self-imaging a range of product via the Internet.

"There's nothing more fun than watching literally five tweens get in a booth and have a good time," said Dale Valvo, managing CEO, from company headquarters in Hudson, N.H.

That is an especially enjoyable view from the perspective of Fantasy Entertainment, which is owned by two privately-held companies, since it claims to control 75% of the U.S. market share. That is a tribute to their business model outside of the amusement industry in which the manufacturer retains ownership and operates product on a revenue share basis with locations. By targeting a variety of venues dedicated to entertainment and spontaneous purchases, Fantasy Entertainment expanded its original inventory of 15 machines in 1995 to about 3,500 today.

"We design, build and own the booths and lease the space," explained Dale. "We place and service them. The location gets a portion of the gross revenue. The great deal for our partners is that the booths are a steady income stream."

In addition to partnering with high-profile mall developers like Westfield Corporation and General Growth Properties as well as movie theater chains like Regal Entertainment Group and Carmike Cinemas, the company has secured booth space at Disneyland, Busch Gardens, Universal Studios, Geauga Lake & Wildwater Kingdom, Paramount King's Island, Six Flags Elitch Gardens, Six Flags Whitewater, Knotts Camp Snoopy in the Mall of America, Gatorland and Rain Forest Cafes, among other sites.

On top of 90 full-time employees, about 400 service technicians are



Foto Fun Strips Showcase



In Your Face Photo Stickers booth.



Instead of the traditional strip, the **Foto Cube** will vend a six-sided cube when it is debuts this fall. Don't just square your fun, *Cube* it! (See the photo of the cube sample.)



employed as independent contractors from all walks of life, literally. The mall walker demographic, interestingly enough, comprises a number of retirees with

mechanical aptitudes for servicing booths and, in some cases, CTM kiddie rides and Sit Back & Relax chairs.

"The beauty of the mall walker," said Dale, "is that he is there all the time, so he'll have a photo booth, kiddie rides and a few chairs. He can make a substantial extra income that way."

In October 2005, Fantasy Entertainment partnered with Brady Distributing to concentrate more intensely on spreading its booths throughout the family entertainment industry. The arrangement allows Brady to sell outright certain models with assurance that the manufacturer's sub-contracted technicians will operate the machines as needed.

"Brady's relationships with customers," commented Steve White, general manager and VP of sales, "are solid because of their credibility and infrastructure through four locations in the south-east, which was important to us. We have a shared interest in providing photo booths to a desired category in this industry and are focused on providing fun, entertainment and solid revenue streams, all while supporting these products post-sale."

Brady has a collection of booths on hand for demonstration and can set up credit terms for purchase. One of the biggest selling points is the booths' capability of accepting credit and debit cards.

"It is not uncommon to get four or five quick credit card swipes in a row," said Dale. "We're seeing, conservatively speaking, a 25% increase across the board."

Other appealing features include the

ability to output coupons with every picture, allowing for branding and promotions, and a wireless paging system installed to automatically alert a service tech if a booth on his watch is not functioning properly.

"If that booth goes down due to a printer error," illustrated Dale, "the service tech is notified and can get there immediately. Because we have that kind of support, it's plug, play and go away for the location. We know that the booth is down before the customer does, but these are workhorses, and they rarely stop on their own."

These combined factors have sold approximately 100 booths to FECs through Brady since last fall, according to Steve.

Fantasy Entertainment creations that put a classic spin on the vertical series of wallet-size images include the *Foto Fun Strip Classic* and the *Foto Fun Strips* upright model that resembles a video game with a curtain suspended behind the customer. The *In Your Face Photo Stickers* variation resembles the upright model yet prints images on film treated with an adhesive for sticking to most surfaces. Each booth is part of a family of designs with different cabinet shapes and color themes to suit the personality of virtually any location.

Twenty new *Foto Cube* booths are currently on a trial run in the field. This model snaps different images and prints them to a perforated, high-quality piece of film. Customers tear off the perforated edges and fold it to create a two-inch cube similar to a six-sided clear picture frame, only less clunky. This product is set to debut at IAAPA 2006.

"There are eight families and subsets," said Dale, describing the varieties of themed images that can be printed on one of the cube's sides, if desired. "For instance, you can go to Holiday and scroll down to Hanukah, Christmas or Birthday; under Extreme Sports, you can go to Skateboard or Baseball.

"While you wait for the film to develop," he continued, "you can play trivia on

the machine. We've had old and young people think that it's the coolest product at a \$5 vend. Kids will even play hacky sac with it."

As nifty as it looks and sounds, the *Foto Cube* is only a prelude to the revolutionary wave of self-service digital vending to come. Three prototypes are currently being refined for the *3D Crystal* booth, which will vend laser-etched likenesses of people in a variety of Lucite products like key chains. Another booth will eventually be capable of engraving 2D images into any piece of metal measuring up to 4" x 4".

Dale has already questioned further steps down the way: Why not etch into plastic? Why not custom create holograms by layering images into lenticular sheets? It certainly is not a shortage of imagination that constrains development but exorbitant costs.



"Technology is our best friend and worst enemy," he surmised, owing to the price tag on laser equipment, which must drop over time before it is economical. "It is a double-edge sword to stay in front of."

This picture of Fantasy Entertainment, then, is like one of its photos: a recording of today.

The company will undoubtedly transform itself, and its customers into images and product, many times over.

"The ultimate vision of this company," Dale hinted, "is to take your photo in a booth, and your output is free. The customer then goes to a website and puts in an ID number, which brings them to a redemption catalog featuring a vendor who can print that photo on numerous items, such as bed sheets, watch faces, aluminum, 2D and 3D items, you name it. That is the handle on the razor blade."

For more information, contact Fantasy Entertainment — located at 8 Commercial Street, Hudson, N.H. 03051 — by phoning 800/933-2682, faxing 603-879-9201, going to www.fantasyent.com or emailing salesinfo@fantasyent.com.